



United States Department of Agriculture  
National Agricultural Statistics Service

# Keystone Ag Digest



Cooperating with the Pennsylvania Department of Agriculture

2301 N Cameron St, Rm G-19 · Harrisburg, PA 17110  
(717) 787-3904 · (717) 782-4011 FAX · [www.nass.usda.gov](http://www.nass.usda.gov)

Released: Late August 2008

Bi-Monthly

Vol. 08 No. 16

IN THIS ISSUE:	Manufactured Dairy Production Field Crop Forecasts	Land Values & Cash Rents Milk Production	Fruit Forecast
This publication may be found on the Internet at <a href="http://www.nass.usda.gov/pa">www.nass.usda.gov/pa</a> and click on "Pennsylvania Publications."			

**Note to Survey Respondents:** Results of many surveys we conduct throughout the year are included in this report! Most survey results are not published individually. **Thank you** for taking the time to complete our surveys!

## AUGUST YIELD SURVEY RESULTS

The results of the August Yield Survey are contained on Pages 2 and 3 of this release.

We wish to thank those farm operators who provided information for that report.

## MILK PRODUCTION

Milk production in Pennsylvania during July 2008 totaled 890 million pounds, 0.5 percent above last July's production of 886 million pounds. The number of milk cows in the state during the month averaged 546,000 head, unchanged from June, and 4,000 less than July 2007. Production per cow averaged 1,630 pounds in July, unchanged from June's production per cow and 20 pounds more than July 2007 of 1,610 pounds.

Milk production in the 23 states surveyed during July 2008 totaled 14.8 billion pounds, up 1.7 percent compared to production in these same states during July 2007. June revised production, at 14.7 billion pounds, was up 3.2 percent from June 2007. The June revision represented a decrease of 19 million pounds from last month's preliminary production estimate. Production per cow in the 23 major states averaged 1,742 pounds for July, unchanged from July 2007. The number of milk cows on farms in the 23 major states was 8.47 million head, 143,000 head more than July 2007, and 5,000 head more than June 2008.

## PRODUCTION OF SELECTED DAIRY PRODUCTS

Products	Jun 2007	May 2008	Jun 2008
	000 Lbs.		
<b>PENNSYLVANIA</b>			
Butter .....	5,171	7,288	5,543
Ice Cream .....	3,508	3,041	3,241
<b>UNITED STATES</b>			
Butter .....	109,980	142,599	119,840
Cheese:			
American Types .....	315,522	351,343	332,510
Swiss .....	26,887	28,007	26,510
Brick and Muenster.....	8,790	9,629	11,959
Cream and Neufchatel .....	62,534	56,561	61,033
Mozzarella .....	274,913	270,913	260,182
Other Italian .....	64,153	73,657	72,725
Total Italian Types .....	339,066	344,570	332,907
All Other.....	24,515	26,783	23,467
Total.....	792,579	831,757	803,263
NF Dry Milk, Human .....	118,173	128,921	132,206
Yogurt, Plain & Flavored .....	284,869	299,007	293,290
	000 Gal.		
<b>FROZEN PRODUCTS:</b>			
Ice Cream, Hard .....	87,058	80,737	89,993
Ice Cream, Lowfat .....	40,572	39,020	43,351
Ice Cream, Nonfat .....	1,325	1,184	1,239
Sherbet, Hard .....	6,167	5,568	5,555
Frozen Yogurt, Total.....	6,391	6,722	6,747
<b>FOR PRODUCTS:</b>			
Ice Cream Mix .....	49,159	45,103	49,001
Ice Cream Mix, Lowfat.....	24,251	22,391	24,793
Ice Cream Mix, Nonfat.....	728	661	763
Sherbet Mix .....	4,155	3,503	3,623
Yogurt Mix .....	3,941	4,074	4,089

## MILK COWS & MILK PRODUCTION

Item	Unit	Pennsylvania			23 States		
		Jul 2007	Jun 2008	Jul 2008	Jul 2007	Jun 2008	Jul 2008
Milk Cows .....	Thous.	550	546	546	8,322	8,460	8,465
Milk Per Cow .....	Lbs.	1,610	1,630	1,630	1,742	1,735	1,742
Milk Production .....	Mil. Lbs.	886	890	890	14,500	14,678	14,750

## PENNSYLVANIA CROP FORECAST

Based on August 1, 2008 forecasts for yield and production, the **Keystone state's** farmers expect to produce more oats, barley, winter wheat, other dry hay, soybeans, and tobacco than last year. Production is expected to be below last year for corn for grain and dry alfalfa hay. Corn acreage to be harvested for grain, at 950,000, is down 30,000 acres from last year. Based on crop conditions as of August 1, corn yield is forecast at 130 bushels per acre, which is 2 bushels per acre above last year's yield. If realized, the corn for grain production would be 123.5 million bushels, which is 2 percent less than last year.

Oats acreage for harvest, at 80,000, is unchanged from a year ago. Based on crop conditions as of August 1, the oat yield is forecast at 58 bushels per acre, which is down 5 bushels from the July 1 forecast, but 2 bushels above last year's final yield. The resulting oat production of 4.64 million bushels would be 4 percent above last year. Barley acreage for harvest, at 55,000, is 13,000 acres more than 2007. Barley yield is forecast at 81 bushels per acre, up 7 bushels per acre from the July 1 forecast and up 8 bushels from a year ago. Barley production is expected to be 4.46 million bushels, 45 percent above last year's production. Winter wheat acres harvested totaled 185,000, which is 19 percent more than last year. The winter wheat yield as of August 1 is estimated at 60 bushels per acre, up 2 bushels per acre from both the July 1 forecast and the final yield for 2007. The resulting winter wheat production of 11.1 million bushels is 23 percent above last year.

Soybean acreage for harvest is set at 440,000, up 20,000 acres from last year. The expected yield based on August 1 conditions is 42 bushels per acre, up 1 bushel from 2007. Production is set at 18.5 million bushels, 7 percent above last year.

Alfalfa acreage harvested for dry hay is estimated at 520,000, down 80,000 acres from 2007. As of August 1, yield is forecast at 3.00 tons per acre, unchanged from last year. The resulting production, at 1.56 million tons, is 13 percent less than last year. All other hay acres harvested for dry hay is estimated at 1,230,000, up 30,000 acres from last year. The expected yield as of August 1 of 2.20 tons per acre is up 0.2 ton per acre from 2007. Total production, at 2.71 million tons, is 13 percent more than 2007.

Light air-cured burley tobacco acres for harvest are estimated at 4,800. This is down 200 acres from the 5,000 acres of burley tobacco harvested last year. The yield for burley tobacco is forecast at 2,300 pounds per acre, up 150 pounds from a year ago. Production is estimated at 11.04 million pounds, which is 3 percent more than 2007. Southern Maryland-type tobacco acres for harvest are estimated at 2,000, up 900 acres from last year. The yield is forecast at 2,200 pounds, which is up 100 pounds from the 2,100 pounds per acre produced in 2007. Production is estimated at 4.40 million pounds, which is 90 percent more than 2007. Pennsylvania seed-leaf tobacco acreage, estimated at 2,000, is up 200 acres from last year. The forecast yield of 2,350 pounds is 50 pounds above 2007. Production, at 4.70 million pounds, is 14 percent more than last year.

## U.S. CROP FORECAST

Corn production is forecast at 12.3 billion bushels, down 6 percent from last year, but 17 percent above 2006. Based on conditions as of August 1, yields are expected to average 155.0 bushels per acre, up 3.9 bushels from last year. If realized, the yield would be the second highest on record, behind 2004. Production would be the second highest on record, behind last year when producers harvested the most acres of corn for grain since 1933. Growers expect to harvest 79.3 million acres for grain, up 350,000 acres from June, but 8 percent lower than last year.

Soybean production is forecast at 2.97 billion bushels, up 15 percent from last year, but down 7 percent from the record high production of 2006. If realized, this will be the fourth largest production on record. Based on August 1 conditions, yields are expected to average 40.5 bushels per acre, down 0.7 bushel from 2007. Area for harvest is forecast at 73.3 million acres, up 2 percent from June and up 17 percent from 2007.

Winter wheat production is forecast at 1.87 billion bushels. This is up 1 percent from last month and 24 percent above 2007. The U.S. yield is forecast at 46.6 bushels per acre, up 0.3 bushel from last month and up 4.4 bushels from last year. The area expected to be harvested for grain totals 40.3 million acres, unchanged from last month, but up 12 percent from last year.

Oat production for the 2008 crop year is forecast at 89.9 million bushels, 3 percent below the July 1 forecast and 2 percent below last year's record low 91.6 million bushels. Based on conditions as of August 1, the yield is forecast at 62.3 bushels per acre, down 2.1 bushels from last month's forecast but up 1.4 bushels from 2007. Expected area to be harvested as grain or seed is 1.44 million acres, down 4 percent from last year.

Barley production for 2008 is forecast at 218 million bushels, virtually unchanged from last month and 3 percent above 2007. Based on conditions as of August 1, the average yield for the U.S. is forecast at 59.9 bushels per acre, up 0.1 bushels from July, but down 0.5 bushel from last year. Expected area to be harvested as grain or seed, at 3.64 million acres, is up 4 percent from 2007.

Production of alfalfa and alfalfa mixtures for dry hay is forecast at 70.9 million tons, down 2 percent from last year. Yields are expected to average 3.41 tons per acre, slightly higher than the 3.35 tons from last year. Harvested area is 20.8 million acres, unchanged from June but 4 percent below the previous year's acreage.

Production of all other dry hay for 2008 is forecast at 77.0 million tons, down 1 percent from last year. Based on August 1 conditions, yields are expected to average 1.94 tons per acre, down slightly from last year. Harvested area is forecast at 39.7 million acres, unchanged from June, but down 1 percent from the previous year.

All tobacco production for 2008 is forecast at 796 million pounds, up 2 percent from 2007 and 9 percent above 2006. Area harvested is forecast at 350,440 acres, 2 percent below last year. Yields for 2008 are expected to average 2,271 pounds per acre, 80 pounds greater than 2007.

### **Midwest Flood**

*The August Crop Production report contains NASS's first estimates of yield and production for corn, soybeans and other spring-planted row crops. To help ensure that these estimates were based on the best information available, NASS supplemented its standard data collection activities in order to account for the impact of the June flooding in the Midwest. NASS personnel re-interviewed approximately 9,000 farmers in flood-affected areas who had previously reported their planted acreage to the agency in early June. Additionally, NASS increased the number of corn and soybean fields selected for objective field measurements in the flood-affected areas and also increased the sample size for the Agricultural Yield Survey, through which farmers report expected crop yields.*

## CROP PROSPECTS - AUGUST 1, 2008 WITH COMPARISONS

Crop	Year	Pennsylvania				United States				Unit
		Acreage (000)		Production		Acreage (000)		Production		
		Planted	Harvested	Per Acre	(000)	Planted	Harvested	Per Acre	(000)	
Corn .....	2007	1,410	980 <sup>1</sup>	128.0	125,440	93,600	86,542 <sup>1</sup>	151.1	13,073,893	Bu.
	2008	1,370	950 <sup>1</sup>	130.0	123,500	87,327	79,290 <sup>1</sup>	155.0	12,287,875	Bu.
Wheat, Winter .....	2007	170	155	58.0	8,990	44,987	35,952	42.2	1,515,989	Bu.
	2008	195	185	60.0	11,100	46,605	40,252	46.6	1,874,857	Bu.
Oats .....	2007	115	80	56.0	4,480	3,760	1,505	60.9	91,599	Bu.
	2008	110	80	58.0	4,640	3,467	1,443	62.3	89,897	Bu.
Barley.....	2007	55	42	73.0	3,066	4,020	3,508	60.4	211,825	Bu.
	2008	65	55	81.0	4,455	4,130	3,640	59.9	217,976	Bu.
Soybeans .....	2007	425	420	41.0	17,220	63,631	62,820	41.2	2,585,207	Bu.
	2008	445	440	42.0	18,480	74,533	73,341	40.5	2,972,577	Bu.
Hay, Dry Alfalfa .....	2007	-	600	3.00	1,800	-	21,670	3.35	72,575	Ton
	2008	-	520	3.00	1,560	-	20,778	3.41	70,944	Ton
Hay, Dry Other .....	2007	-	1,200	2.00	2,400	-	39,955	1.95	77,729	Ton
	2008	-	1,230	2.20	2,706	-	39,661	1.94	77,011	Ton
Tobacco, All .....	2007	-	7.9	2,177	17,200	-	356.0	2,191	779,899	Lbs.
	2008	-	8.8	2,289	20,140	-	350.4	2,271	796,009	Lbs.
Potatoes, Fall	2007	10.5	10.0	220	2,200	1,010.6	996.7	410	409,082	Cwt
	2008	11.0	10.5	<sup>2</sup>	<sup>2</sup>	929.1	916.2	<sup>2</sup>	<sup>2</sup>	Cwt

<sup>1</sup> Harvested for grain, remainder of planted acres for silage and other uses. <sup>2</sup> Not available until November.

### FRUIT FORECAST

The following forecasts are made based upon conditions on August 1, 2008:

**Apples:** Pennsylvania's production is forecast at 400 million pounds, down 15 percent from last year's crop and 2006. Continuous wet weather increased the incidence of insects and disease throughout the State. Despite good sizing for this time of year, quality is expected to be low. The first U.S. forecast of the 2008 season is 9.17 billion pounds, slightly more than last year and 7 percent lower than the 2006 crop. Multiple spring freezes and summer hailstorms damaged orchards across the nation; however, trees in most areas of the U.S. experienced a recovery from the devastating growing weather in 2007.

**Grapes:** Pennsylvania's production forecast is 95,000 tons, up 13 percent from last year and up 16 percent from 2006. Growers are expecting a record crop this year. The previous record of 90,000 tons was in 2005. Overall, bunch counts and berry size are above average and disease pressure is low. Harvest will depend on weather and disease/insect pressure. Slow ripening could result in late season harvest. U.S. grape production is forecast at 7.20 million tons, up 3 percent from 2007 and 13 percent above 2006.

**Peaches:** Pennsylvania peach producers expect to harvest 24,700 tons of peaches from their orchards in 2008, up 27 percent from 2007. This estimate is up 1,700 tons from the July 1 forecast. Most growers reported a good to excellent peach crop with large size. Operators have received adequate rain this year. Thirty percent of PA peaches were harvested as of the 3rd of August. The U.S. peach production forecast is 1.09 million tons, down less than 1 percent from the July 1 forecast and 3 percent below 2007.

**Pears:** The Pennsylvania crop is forecast at 3,600 tons, down 10 percent from 2007 and down 8 percent from the 2006 crop. Pear growers anticipate harvesting a crop similar to last year. This year's crop may be large in quantity, but not in quality. U.S. pear production is forecast at 821,750 tons, down 6 percent from last year and 2 percent below 2006.

### AUGUST 1, 2008 FRUIT FORECASTS WITH COMPARISONS

Crop	Year	Production	
		Pennsylvania	United States
Million Pounds			
Apples.....	2006	470.0	9,871.7
	2007	470.0	9,113.9
	2008	400.0	9,165.2
Tons			
Peaches.....	2006	21,600	1,010,120
	2007	19,400	1,128,740
	2008	24,700	1,093,850
Pears .....	2006	3,900	842,035
	2007	4,000	872,950
	2008	3,600	821,750
Grapes .....	2006	82,000	6,377,150
	2007	84,000	7,018,000
	2008	95,000	7,195,100

## AGRICULTURAL LAND VALUES HIGHLIGHTS

Farm real estate values, a measurement of the value of all land and buildings on farms, averaged \$2,350 per acre on January 1, 2008, up 8.8 percent from 2007. The \$2,350 per acre is a record high and \$190 more than a year earlier.

Both cropland and pasture values for 2008 are record highs. Cropland values rose by 10 percent to \$2,970 per acre, up from the previous high of \$2,690 in 2007. Pasture value rose by 6 percent to \$1,230 per acre.

While commercial and residential development has slowed in many regions, farm real estate values continue to increase. Strong commodity prices and farm programs, outside investments, favorable interest rates, and tax incentives continue to be the factors that drive farm real estate values to record levels. Livestock prices, recreational use, and urban development remain the predominant influences that increase pasture land values.

## AGRICULTURAL CASH RENT HIGHLIGHTS

Nationally, cash rents per acre paid to landlords for cropland rose \$11.00 (13 percent), while pasture rents increased \$1.00 (8.3 percent) for the 2008 crop and grazing year. Cropland cash rents paid in 2008 averaged \$96.00 per acre, compared with \$85.00 per acre for 2007. Pasture cash rents averaged \$13.00 per acre, compared with \$12.00 per acre for 2007. The increases in cropland and pasture land rental rates are the result of producers receiving strong commodity prices.

## PA & SELECTED STATES: AVERAGE VALUE PER ACRE OF LAND & BUILDINGS, AVERAGE CASH RENT PER ACRE, 2008

State	Farmland <sup>1</sup>	Cropland	Pasture
	Avg Value Per Acre	Rent Per Acre	Rent Per Acre
<i>Dollars</i>			
Northeast:			
Maryland.....	9,100	65.00	--
New Jersey.....	11,300	50.00	--
New York.....	2,400	44.00	--
<b>Pennsylvania .....</b>	<b>5,800</b>	<b>55.00</b>	<sup>2</sup>
Lake States:			
Michigan .....	4,150	80.00	--
Minnesota.....	3,100	109.00	21.00
Wisconsin.....	4,070	85.00	43.00
Corn Belt:			
Illinois .....	5,000	160.00	40.00
Indiana.....	4,450	135.00	--
Iowa.....	4,000	165.00	42.00
Ohio.....	4,150	103.00	--
Northern Plains:			
Kansas .....	1,170	52.00	15.50
Nebraska .....	1,460	123.00	14.20
North Dakota .....	765	45.00	13.40
Appalachian:			
Kentucky.....	3,000	82.00	--
North Carolina .....	4,800	55.00	29.00
Tennessee.....	3,650	65.00	22.00
Virginia .....	5,900	45.00	22.00
West Virginia .....	2,700	31.00	--

<sup>1</sup> Average value per acre of land and buildings. <sup>2</sup> Insufficient information.

County estimates for **2008** can now be found online for hay, forage, barley, oats, wheat, corn, soybeans and sorghum.

Check out NASS's homepage at [www.usda.gov/nass](http://www.usda.gov/nass) and click on 'QuickSTATS'

ADDRESS SERVICE REQUESTED

2301 N Cameron St Room G-19  
Harrisburg PA 17110-9405  
National Agricultural Statistics Service  
Pennsylvania Field Office

DEPARTMENT OF AGRICULTURE  
UNITED STATES

PRSR STD  
POSTAGE & FEES PAID  
USDA  
PERMIT NO. G-38